This Statutory Instrument has been made in consequence of a defect in SI 2016/352 and is being issued free of charge to all known recipients of that Statutory Instrument.

STATUTORY INSTRUMENTS

2016 No. 647

SOCIAL SECURITY

The Social Security (Contributions) (Amendment No. 3) Regulations 2016

Made - - - -	*13th June 2016*
Laid before Parliament	*14th June 2016*
Coming into force - -	*6th July 2016*

The Treasury make the following Regulations in exercise of powers conferred by section 3(2) and (3) of the Social Security Contributions and Benefits Act 1992(**a**) and section 3(2) and (3), and 171(10) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(**b**) and now exercisable by them.

The Secretary of State and the Department for Communities(**c**) concur with the making of these Regulations.

Citation and commencement

1. These Regulations may be cited as the Social Security (Contributions) (Amendment No. 3) Regulations 2016 and come into force on 6th July 2016.

Amendment of the Social Security (Contributions) Regulations 2001

2. In Part 8 of Schedule 3 of the Social Security (Contributions) Regulations 2001 (travelling, relocation and other expenses and allowances of employment)(**d**) in paragraph 3ZB (travel for necessary attendance: employment intermediaries)(**e**) for sub-paragraph (6)(a) substitute—

"(a) in section 51(1) of that Act—

(**a**) 1992 c. 4. Section 3(2) was amended by paragraph 3 of Schedule 3 to, the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2) so that the power to make Regulations became exercisable by the Treasury with the concurrence of the Secretary of State.

(**b**) 1992 c. 7. Section 3(2) was amended by paragraph 4 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999/671 ("the 1999 Order") so that the power to make the Regulations became exercisable by the Treasury with the concurrence of the Department of Health and Social Services for Northern Ireland. Section 171(10) was amended by paragraph 28 of Schedule 3 to the 1999 Order.

(**c**) The functions of the Department of Health and Social Services for Northern Ireland under the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7) were transferred to the Department for Social Development by Article 8(b) of, and Part 2 of Schedule 6 to, the Departments (Transfer and Assignment of Functions) Order (Northern Ireland) 1999 (S.R. (NI) 1999 No 481). The Department for Social Development was subsequently renamed the Department for Communities, see section 1(7) of the Departments Act (Northern Ireland) 2016 (c. 5 (N.I.)).

(**d**) S.I. 2001/1004, amended by 2016/352. There are other amending instruments but none is relevant.

(**e**) Paragraph 3ZB was inserted by S.I. 2016/352.

(i) disregard "either" in the opening words, and

(ii) disregard paragraph (b) (and the preceding "or"), and".

Charlie Elphicke
David Evennett
13th June 2016 — Two of the Lords Commissioners of Her Majesty's Treasury

The Secretary of State concurs.
Signed by authority of the Secretary of State for Work and Pensions

Altmann
Minister of State
9th June 2016 — Department for Work and Pensions

The Department for Communities concurs.
Sealed with the Official Seal of the Department for Communities on 8th June 2016

L.S.

Anne McCleary
8th June 2016 — A senior officer of the Department for Communities

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend paragraph 3ZB(6) of Part 8 of Schedule 3 to the Social Security (Contributions) Regulations 2001 (S.I. 2001/1004) ("the Contributions Regulations") by substituting a new sub-paragraph (a). This is a technical amendment which corrects an error in the Social Security (Contributions) (Amendment) (No. 2) Regulations 2016 (S.I. 2016/352).

The amendment disregards section 51(1)(b) of ITEPA 2003 for the purposes of determining whether the condition in sub-paragraphs (4)(b) or (5)(b) of paragraph 3ZB of Schedule 3 to the Contributions Regulations is met. The effect of the amendment is that when considering the conditions in modified section 51 in sub-paragraphs (4)(b) or(5)(b), a company will only meet these conditions where they are not an associated company of the client and the worker has a material interest in the employment intermediary.

A Tax Information Note covering the changes made by these Regulations was published on 9th December 2015 alongside the draft Finance Bill 2016 and is available on the website at https://www.gov.uk/government/publications/income-tax-employment-intermediaries-and-relief-for-travel-and-subsistence/income-tax-employment-intermediaries-and-relief-for-travel-and-subsistence.

It remains an accurate summary of the impacts that apply to this instrument.

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